

# **Energy Efficiency Financing Solutions for the Residential Sector**

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**Alpha Bank Romania** is an universal bank, offering a wide range of services and products, both for individuals and for SME & corporate sector, with a strong retail network.

## Key Facts:

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**First foreign bank** granted license in Romania, established in 1994



Owned by **Alpha Bank Greece AE** (99.92%)



**Top 10 universal bank** (ranked on 8<sup>th</sup> place as of 2021, by assets)



**First bank launching a housing loan**, leading to the creation of local mortgage market



**Fist bank launching a Covered Bond Programme (2019)** - Rated by Moody's Ratings Agency (A3)



**Highly experienced personnel** (2.0k employees)



**Strong network size** (130 branches)

# Steps Towards “Green Direction”



## Member of RoGBC

ABR joins Green Homes Programme and launches Alpha Housing Green Offer for financing green homes certified by RoGBC

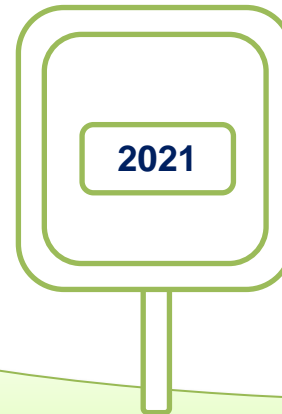


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COUNCIL



## Energy Efficient Mortgage – Pilot Scheme

ABR becomes the 66<sup>th</sup> lending institutions joining Energy Efficient Mortgage Initiative – to develop financing solutions for energy efficiency at EU standards.



## Energy Efficient Mortgage LABEL

ABR becomes the first Romanian Bank to join EEM Label standards for retail products designed for energy efficiency financing.





**RATĂ  
FIXĂ  
ÎN PRIMII  
5 ANI**



## Fă-ți planuri de viitor în noua ta Casă Verde, prin oferta specială Alpha Green!

- Credit pentru achiziție, renovare și construcție Casă Verde
- Rata dobânzii și comision analiză dosar reduce
- Informații complete despre Casa Verde



Credit pentru achiziție,  
renovare și construcție Casă Verde  
certificată de RoGBC



Rata dobânzii și comision  
analiză dosar reduce



Informații complete  
despre Casa Verde



Perioadă maximă  
de creditare: 35 ani



Oportunitate de finanțare  
de până la 100%

## *Advantages & characteristics:*

- ✓ Retail mortgage loan designed to finance the acquisition/ construction of a residential building certified green by RoGBC;
- ✓ with Alpha Green we can finance also home renovation;
- ✓ Complete financing offers (in RON or EUR, including with fixed interest rate for the first 5 years);
- ✓ Advantageous costs (discounts applied to interest rate and analysis fee)

## *Mortgage loan for home renovation*

- ✓ Multiple disbursements (minimum 2)
- ✓ Establish the financed amount based on estimated cost of renovation works
- ✓ Minim 60% “green materials” used for renovation to benefit of special green offer
- ✓ Financing up to 100% of estimated cost of renovation works
- ✓ The guarantee of the loan can be only the property that is renovated



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GREEN HOMES



# Consumers Understanding about Energy Efficiency

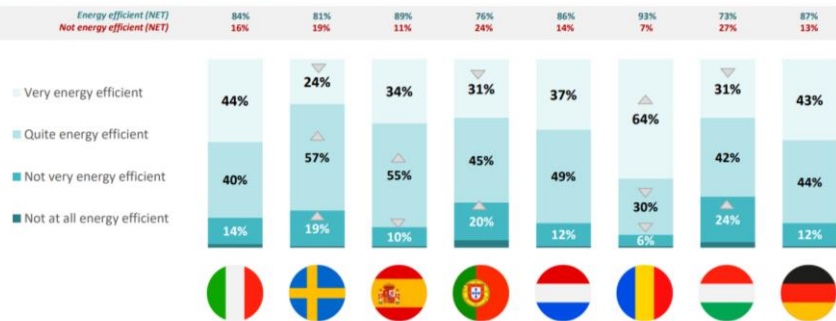
## A.1



Most homeowners consider their property to be reasonably energy efficient, but there is certainly room to improve this across markets

Energy efficiency of property – mortgage holders

Over/under index (120/80) vs. all-market average



S7b. We'd like to know how energy efficient your home is. Please select the statement that best applies  
 Base: Mortgage holders Italy (n=473); Sweden (n=438); Spain (n=478); Portugal (n=415); Netherlands (n=476); Romania (n=467); Hungary (n=440); Germany (n=449)  
 Data: % selecting each answer

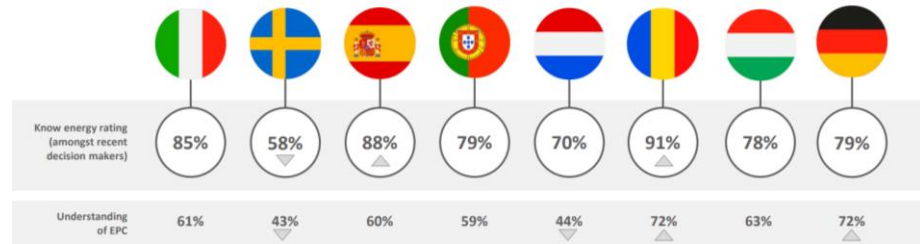
## A.1



There is still a knowledge gap to bridge with consumers when it comes to EPC ratings

Awareness of Energy Performance in home – all respondents

Over/under index (120/80) vs. all-market average



While most are at least somewhat aware of home energy ratings – and the importance of energy efficiency – few truly understand this area

A8. How you heard of Energy certificates for properties? Base: All respondents Italy (n=501); Sweden (n=505); Spain (n=514); Portugal (n=504); Netherlands (n=507); Romania (n=508); Hungary (n=506); Germany (n=500). A9. What is the energy efficiency rating of your home? Base: All recent decision makers (base varies per market, min=171)  
 Data: % selecting their EPC rating from list  
 Data: % selecting aware of relevant certificate

## A.2



Sustainability is not a core consideration when choosing a mortgage provider

Importance of factors when choosing mortgage – all respondents

Based on T2B

Over/under index (120/80) vs. all-market average

| Factor   | Italy | Sweden | Spain | Portugal | Netherlands | Romania | Hungary | Germany |
|--|-------|--------|-------|----------|-------------|---------|---------|---------|
| Mortgage interest rate   | 63%   | 73%    | 67%   | 69%      | 70%         | 77%     | 72%     | 60%     |
| Mortgage monthly repayments  | 64%   | 45%    | 66%   | 70%      | 58%         | 77%     | 74%     | 63%     |
| Total mortgage amount paid over the term   | 59%   | 44%    | 60%   | 68%      | 54%         | 79%     | 72%     | 57%     |
| Good customer service  | 54%   | 45%    | 58%   | 63%      | 51%         | 72%     | 58%     | 61%     |
| Service fees applicable during your mortgage (e.g. early repayment charges)                                      | 54%   | 36%    | 60%   | 58%      | 39%         | 73%     | 64%     | 53%     |
| The advice / guidance provided   | 54%   | 37%    | 55%   | 54%      | 47%         | 72%     | 58%     | 54%     |
| Upfront fees (e.g. product, administration fees)   | 44%   | 32%    | 58%   | 54%      | 43%         | 73%     | 61%     | 47%     |
| Incentives to take out a mortgage (e.g. cashback, free valuation)  | 56%   | 32%    | 58%   | 59%      | 28%         | 73%     | 60%     | 44%     |
| Extra Features of the mortgage (e.g. optional payment holiday, additional loan to be used for home improvements) | 51%   | 27%    | 48%   | 40%      | 30%         | 65%     | 53%     | 46%     |
| Brand / mortgage lender  | 41%   | 26%    | 45%   | 37%      | 31%         | 64%     | 44%     | 44%     |
| Sustainability policy of the lender / effort on environmental issues   | 45%   | 23%    | 41%   | 40%      | 26%         | 66%     | 42%     | 41%     |
| Recommendation from people I know  | 36%   | 23%    | 37%   | 32%      | 22%         | 63%     | 37%     | 36%     |

A4. How important were each of the following when choosing which mortgage to take out?  
 Base: All respondents Italy (n=503); Sweden (n=505); Spain (n=507); Portugal (n=504); Netherlands (n=507); Romania (n=508); Hungary (n=506); Germany (n=500)  
 Data: % answering 6-7 on 7 pt. scale

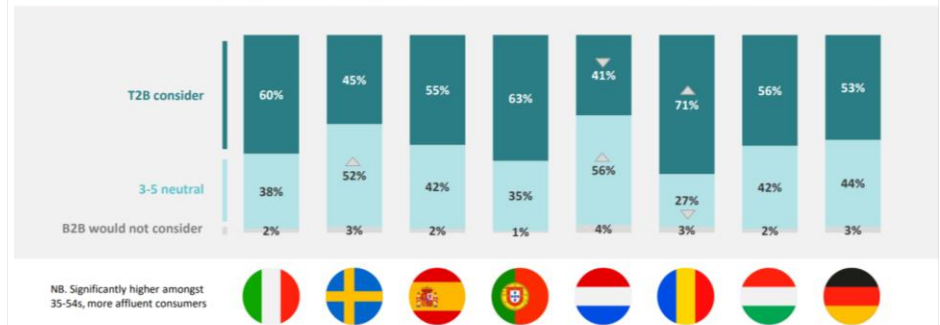
## A.3



There is strong consideration across all markets for home improvements

Consideration of energy efficient home improvements – all respondents

Over/under index (120/80) vs. all-market average



NB. Significantly higher amongst 35-54s, more affluent consumers  
 S8. How likely are you to consider making improvements to your home to make it more energy efficient?  
 Base: All respondents Italy (n=503); Sweden (n=505); Spain (n=514); Portugal (n=504); Netherlands (n=507); Romania (n=508); Hungary (n=506); Germany (n=500)  
 Data: % selecting each answer

Source: "New Green Mortgage Proposition – Appeal and Relevance across 8 European Markets" by Ligia Bogdan, Senior Manager Global Solutions Future Energy Home & eMobility at E.ON; <https://energyefficientmortgages.eu/bauhaus/>

# Conclusions & Main Challenges

- ✓ Lack of data regarding energy efficiency of the residential properties
- ✓ Lack of understanding for the consumers of the energy efficiency benefits
- ✓ Low understanding of the Energy Efficient Performance Certificate
- ✓ Align all products/ services/ certifications on the Taxonomy Regulation
- ✓ Encourage the energy efficient retail investments through special lending conditions/ stimulants/ programs (not only pricing)
- ✓ Consumer education initiative regarding energy efficiency

Thank you!